



NYSERDA

FLEET TRANSPORTATION AS-A-SERVICE
Request for Information (RFI) 5198
No Funding is Associated with this Solicitation

Response Due Date: October 12, 2022, by 3:00 PM Eastern Time*

The New York State Energy Research and Development Authority (NYSERDA) is asking for information regarding as-a-service business models designed to accelerate medium- and heavy-duty truck and bus electrification to help inform policy and program planning, particularly NYSERDA's School Bus Electrification Roadmap and Guidebook. This Request for Information (RFI) will help NYSERDA gain information about the options that operators of medium- and heavy-duty fleets have to transition those fleets to zero emission vehicles.

Transportation is an integral part of most New Yorkers' lives, whether they use private or public transportation methods. However, transportation is also responsible for substantial local pollution and global emissions. Transitioning the transportation sector to clean energy will have many local and global benefits. On a local scale, replacing diesel vehicles, which are currently one of the largest sources of local pollution in historically overburdened communities, will lead to cleaner air and benefits for all, particularly disadvantaged communities.

Many barriers exist to increasing the number of zero emission vehicles on the road, both financial and non-financial. Medium- and heavy-duty zero emission vehicles are increasingly feasible options, but also require higher upfront costs and infrastructure investments. As-a-service business models may offer opportunities for fleets to transition to zero emission vehicles more quickly and with lower costs. These models may be particularly relevant to fleets in disadvantaged communities that cannot easily purchase new vehicles and charging infrastructure because of capital costs. Identifying alternative pathways to participating in a clean transportation future is critical to helping fleets in these communities reduce their emissions.

As mentioned earlier, as-a-service business models are of particular interest to NYSERDA's School Bus Electrification work (although NYSERDA welcomes responses to the RFI from all segments of the medium- and heavy-duty vehicle sector). NYSERDA is currently developing a roadmap that will help inform policy makers on how to support and accelerate the transition to a zero emission fleet as well as a guidebook that will inform schools and bus operators about the opportunities and resources available to them. Information from this RFI will help to add another component and option for school bus operators.

This RFI will help inform NYSERDA's work in these fields and provide a space for as-a-service businesses to examine their strengths and barriers and for customers and potential customers to examine their misgivings and expectations surrounding this business model. This RFI also offers a chance for the private sector to provide feedback on how NYSERDA's Clean Transportation team can help leverage new and evolving business models to enable maximum benefits.



Response Submission:

Please download a copy of the file, *Attachment A. Fleet Transportation As-A-Service RFI Response Template*. Fill out the document to respond to the RFI questions provided below. Once complete, please submit your response by email to fleets@nyserda.ny.gov with the subject line: 'RFI 5198 Response' and your organization name. Email submission is preferable. Responders may submit Word or PDF files. Individual files should be 100MB or less in file size. Response PDFs should be searchable and created by direct conversion from MS Word, or other conversion utility. Files should not be scanned. For ease of identification, all electronic files must be named using the responder's entity name in the title of the document. NYSERDA will also accept responses by mail or hand-delivery if email submission is not possible.

If you have any technical questions regarding this RFI, please contact Vincent Riscica at schoolbus@nyserda.ny.gov or 212-971-5342, ext. 3490 or Adam Ruder at transportation@nyserda.ny.gov or 518-862-1090, ext. 3411. All respondents should only include information that can be made public by NYSERDA in their RFI responses. All responses to the RFI may be aggregated, will be considered non-confidential, and may be shared with others outside of NYSERDA. However, the identity of the respondent will not be publicly disclosed. If you have questions regarding the RFI response process, please contact Nancy Marucci at nancysolicitations@nyserda.ny.gov or 518-862-1090 ext. 3335.

***All responses must be received by 3 p.m. Eastern Time on the date noted above. Late or faxed responses will not be accepted.** If changes are made to this solicitation, notification will be posted on the "Current Opportunities" section of NYSERDA's website (<https://www.nyserda.ny.gov/Funding-Opportunities/Current-Funding-Opportunities.aspx>).

I. Background

Electric options for a wide range of medium- and heavy-duty vehicles are now available. Six of the largest public transportation operators in New York State have committed to switching all of their buses to electric by 2040. However, many more market barriers must be removed to reach New York State's Climate Act goals for clean transportation adoption. Addressing both financial and non-financial hurdles will be critical to reach widespread market penetration of clean transportation technologies.

In her 2022 State of the State address, Governor Kathy Hochul called for NYSERDA to issue an RFI to gather information on as-a-service business models for medium- and heavy-duty (Class 3 and above) zero emission vehicles. Since zero emission medium and heavy-duty vehicles have a higher upfront price than internal combustion engine vehicles, as well as a need for investment in supporting infrastructure, their payback period on fuel savings alone is often insufficient to justify purchasing by fleet vehicle operators. This RFI seeks to learn more about business models that offer several services to fleet vehicle operators including (but not limited to) fleet assessment analysis, infrastructure support, charging, and vehicle purchasing into a single price or services contract that is often cost-competitive with internal combustion engine-powered medium- and heavy-duty vehicles.

This RFI will inform NYSERDA's program development and considerations of new market models that reduce the financial and non-financial hurdles of zero emission transportation adoption for medium- and heavy-duty vehicles. The findings will be particularly relevant to NYSERDA's school bus electrification work, for which as-a-service business models show particular promise.

II. Information Requested

NYSERDA is seeking information to help inform and support the goals discussed above. The questions will be broken up into two categories, one with questions for as-a-service vendors, and one with questions for both current and potential customers and fleet operators.

Please provide your feedback on the questions below about business models that bundle several services for fleet operators. Specific answers are appreciated, but general comments are also welcome. Please download a copy of the file, *Attachment A. Fleet Transportation As-A-Service RFI Response Template*. Fill out the document to respond to the RFI questions provided below. Once complete, please submit your response by email to schoolbus@nyserda.ny.gov.

Questions for Vendors

1. Briefly describe your fleet-as-a-service business model?
2. When offering fleet-as-a-service, do you target a particular type of fleet and/or customer? Is there a minimum size fleet you aim to target?
3. What aspects of the service have customers responded most favorably to?
4. What have been some of the biggest obstacles to signing customers up for the service? Is there any part of the service that customers are especially wary of or hesitant about?
5. What adjustments, if any, have customers had to make to their standard operating practices due to adopting this different business model?
6. What type of tools or resources do you think tend to help fleet operators understand your service better or help them make the decision to choose your service?
7. What services are your customers most interested in? (Selection of answers)
8. Which types of route features are best for the as-a-service model and why?
9. What is a typical contract length or subscription duration for your service? Is there a minimum time commitment you expect? What are a customers' termination rights/obligations if they end the contract before the minimum?
10. How do you work with fleets that have existing maintenance staff and do you offer trainings?
11. What differentiating factors and/or policies make a market better for deploying vehicles through an as-a-service model?
12. What are the minimum requirements (with respect to fuel usage/miles driven/operating costs/financial terms) for a fleet to realize savings compared to a diesel fleet using your model? If you have experience with these numbers across different fleet segments, please share multiple examples.
13. In as-a-service models what are customers' most preferred pricing options and why? E.g. fixed annual fee, \$/km operating mile, \$ per vehicle, other (please specify)
14. In the as-a-service model, do you offer pay-to-own or lease-to-own? Why or why not? Do you buy or lease from OEMs or from local dealers?



15. In the as-a-service model, how do you approach or plan for 'residual' vehicle value? Do you plan to monetize the batteries at the end of their useful life in the vehicles?
16. In the as-a-service model, what battery life do you plan for? What battery life might be necessary for you to consider this business model?
17. How would you describe your past experience leveraging government incentives for as-a-service offerings? Which incentives are easiest to access? Which are most difficult?
18. What are some challenges to providing the as-a-service model in Disadvantaged Communities? Can you provide examples of how you successfully addressed these challenges?
19. General comments/feedback for NYSERDA on how to best support as-a-service business development across NYS.

Questions for Fleet Operators/Customers

1. As a fleet operator, have you considered fleet electrification? Why or why not?
2. If you have considered fleet electrification, what have been some of the biggest obstacles to electrification? Are there barriers that an as-a-service offering could help alleviate?
3. As a fleet operator, what is the most attractive part of an as-a-service model?
4. Is there a specific part of the as-a-service model that you are wary of or hesitant about?
5. As a fleet operator, what tools or resources would you be interested in to help inform decision-making around electrification as-a-service business models?
6. How much more would you be willing to pay to electrify your fleet compared to what you currently pay for gasoline/diesel vehicles?
7. General comments/feedback for NYSERDA on how to best support fleet operators considering using an as-a-service business model.

III. Response Requirements

Responses should address one or more of the above questions. Answers should be brief, but complete and submitted by email to schoolbus@nyserda.ny.gov. Upon review, NYSERDA may request additional information or a call/meeting to discuss the respondent's submission. To be fully considered, all answers should provide required information and be submitted within the indicated timeframe.

IV. How Comments Will be Used

NYSERDA plans to review responses with an eye toward identifying opportunities to support rapid adoption of medium- and heavy-duty ZEVs. Findings from the RFI are expected to be used in NYSERDA's School Bus Electrification Roadmap. Learnings will also inform future directions for NYSERDA's New York Truck Voucher Incentive Program and related market development activities to



remove barriers to zero emission truck and bus purchases. RFI responses will also help NYSERDA target upcoming R&D and demonstration project funding opportunities.

V. Informational Webinar

An informational webinar will be held via Webex on Thursday October 6, 2022, at 1PM to answer any questions you may have about this RFI. NYSERDA has scheduled this for one hour to allow for ample time for questions and answers. The call may end early if no additional questions are asked. Registration is required in advance via the Webex link below:

<https://nyserdany.webex.com/nyserdany/j.php?MTID=m22b45f180b3ef98394729f0d316815c6>

VI. General Conditions

Proprietary Information

Careful consideration should be given before confidential information is submitted to NYSERDA as part of your response. Review should include whether it is critical for understanding responses, and whether general, non-confidential information, may be adequate. The NYS Freedom of Information Law, Public Officers law, Article 6, provides for public access to information NYSERDA possesses. Public Officers Law, Section 87(2)(d) provides for exceptions to disclosure for records or portions thereof that "are trade secrets or are submitted to an agency by a commercial enterprise or derived from information obtained from a commercial enterprise and which if disclosed would cause substantial injury to the competitive position of the subject enterprise." Information submitted to NYSERDA that the responder wishes to have treated as proprietary, and confidential trade secret information, should be identified and labeled "Confidential" or "Proprietary" on each page at the time of disclosure. This information should include a written request to except it from disclosure, including a written statement of the reasons why the information should be excepted. See Public Officers Law, Section 89(5) and the procedures set forth in 21 NYCRR Part 501 <https://www.nyserda.ny.gov/About/-/media/Files/About/Contact/NYSERDA-Regulations.ashx>. However, NYSERDA cannot guarantee the confidentiality of any information submitted.

Contract Award

This solicitation for information (RFI) will not result in the award of any contract for goods or services with NYSERDA. NYSERDA anticipates collecting RFI responses and analyzing the responses to inform its future programming. Respondents are advised that all costs associated with responding to this RFI will be solely at their expense.

Limitation

This solicitation does not commit NYSERDA to award a contract, pay any costs incurred in preparing a response or procure or contract for services or supplies. NYSERDA reserves the right to discontinue or modify the RFI process at any time and makes no commitments, implied or otherwise, that this process will result in a business transaction or negotiation with one or more Respondents.



VII. Attachments

Attachment A: Fleet Transportation As-A-Service RFI Response Template